

Exceeding speed limit

Scottsdale provider extends rural access to broadband

By Jane Larson
The Arizona Republic

A small Scottsdale telecommunications company is going where the big guys haven't tread: rural Arizona towns. Who would think you could make money bringing high-speed Internet access to places with as few as 1,900 people? Yet TeleSpectra LLC is doing just that.

It introduced service to the southwestern Arizona town of Wellton in October, drawing on a \$1.3 million federal grant to put the police department, library and other services online with wireless broadband technology. The company also is selling the access to area businesses and residents, and "they're getting higher speeds than you in Phoenix," Chief Executive Officer Mike McHale said.

The rural approach helped TeleSpectra earn honors at last week's Governor's Celebration of Innovation as the Innovator of the Year in the service provider category.

TeleSpectra, started in 1999, actually is a conglomeration of networking companies that merged over time, McHale said. It owns communications towers around the state and a network operations center in west Phoenix, with one of its most notable assets being the former MCI/American Television Relay business, a network that carries video broadcast signals.

Besides its foray into broadband In-

TeleSpectra LLC

Business: Designs, installs and operates broadband networks in the rural Southwest.

Headquarters: Scottsdale

Founded: 1999

Employees: 30

Revenue (projected): \$6 million this year, \$10 million next year

Web site: www.telespectra.com

ternet access, the company uses its network to feed Phoenix Suns and spring training games to TV stations, and to offer services to conventions and production companies that want events covered and transmitted.

McHale, who led Teleport Communications Group into local-phone service competition with US West in the mid-1990s, joined TeleSpectra last year. He focused on delivering services on time, upgrading the company's network where needed and developing customer relationships.

Service to rural towns makes sense for several reasons, McHale said:

■ Demand is the same, if not higher, than in metro areas because residents have more time for the Internet.

■ Competition is limited.

"The days of investment banks plowing hundreds of millions of dollars into building telecom infrastruc-

ture are over," McHale said. Start-ups therefore don't have the money to enter the market, and big firms are focusing services on major metropolitan areas like New York and Los Angeles.

■ It's satisfying to contribute to a community's development and enable businesses to do business globally.

"When you go to a small town, approach the council with the idea, and they realize you're going to do it, you have their undivided attention," McHale said. "It's very gratifying."

Wellton Police Chief Matt Brooks said his four-person department now can get and act on information more quickly, rather than wasting time waiting for downloads.

Officers frequently use the new service check at the U.S. Department of Homeland Security's Web site for alerts. So far, they have made three contacts with groups the federal agency was looking for, he said.

Unlike other companies that try to offer services to small towns, TeleSpectra delivered on its promises, and its truck is a familiar site in town, he said.

"For a rural area, this is just a boon," Brooks said.

The company will extend service to Yuma early next year and hopes to have deals soon in other rural Arizona markets. It then plans to move into New Mexico, Utah and other Southwestern states.

The company isn't ignoring its urban roots, though. Wireless broadband service to the Scottsdale Airport, notoriously short of high-speed Internet access, begins Monday.

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